



Parks & Recreation Department
City of Frisco, Texas

Memorandum

To: Honorable Mayor Maso and Members of the Frisco City Council

Cc: Henry J. Hill, Deputy City Manager
Rick Wieland, Director of Parks & Recreation

From: Steve Walsh, Recreation Facilities Manager

Date: 1/9/2009

Agenda Caption: Consider and Act upon the approval of an extension to the Management Agreement between the City of Frisco, the Collin County Community College District and the Superdrome Management Group, Inc. for the maintenance and operations of the Frisco Superdrome.

Action Requested: Approval of a three-year extension to the management agreement between the City of Frisco, the Collin County Community College District, and the Superdrome Management Group, Inc. for the maintenance and operations of the Frisco Superdrome.

Background Information:

Presented within this agenda item is a three-year extension with the Superdrome Management Group (SMG) to continue to manage the Frisco Superdrome through the year 2011. The basic structure and terms of the agreement and the obligations of the SMG, the Collin County Community College District (CCCCD), and the City of Frisco remain the same.

Since 2002, the SMG has been under contract with the City of Frisco and the Collin County Community College District (CCCCD), tasked with maintaining and operating the Superdrome and all of its racing, training, and educational programs. This has been a very successful arrangement. In 2006, the Frisco City Council and the CCCCCD Board of Directors extended the agreement with the SMG for an additional three years through 2008.

There are a couple of modifications to the financial aspect of this agreement included in this proposed agreement. First, the Superdrome is entering its 12th year of operation and as a result is in need of various repairs. Specifically, the agreement calls for a one-time payment of \$98,100 to the SMG to replace the entire track riding surface with new wooden boards and to make several other capital improvements. Since 2002, the SMG has periodically replaced boards each year. Due to the use and the outdoor elements, the boards have a designated life cycle. The new boards will not only improve the riding surface for the cyclists, but more importantly provide a safer surface. Secondly, the agreement calls for a set monthly amount to be provided to the SMG for their maintenance and operating needs. In years past, the SMG would receive the Interest Income from the Superdrome Enterprise Fund on a monthly basis. This amount would vary month to month due to changes in the interest rates.

The SMG has the passion and expertise to operate the facility in a quality manner, thus eliminating the need for the City and CCCCD to direct significant resources to manage the facility. Since 2002, the programs and offerings provided by the SMG have grown. The SMG is committed to continue to increase the offerings at the Superdrome, providing additional recreational and advanced opportunities for local, state and regional cyclists.

Board Review/Citizen Input:

The CCCCD has already approved of the agreement.

Alternatives:

- Table.
- Not approve.
- Direct staff to make changes or modifications.

Financial Considerations:

As in previous years, funds provided to the SMG in this agreement will come from the Superdrome Enterprise Fund which has been managed by the City since 1999. The one-time payment of \$98,100 will be directed towards various capital repairs to the facility. The on-going monthly payments of \$6,667 for maintenance and operations will also come from the Superdrome Enterprise Fund interest earnings supplemented by other funds.

Legal Review:

Drafted by the City Attorney's Office.

Supporting Documents:

- Agreement
- SMG Recap Pamphlet

Staff Recommendation:

Approve an Agreement by and between the City of Frisco, the Collin County Community College District and the Superdrome Management Group for the

maintenance and operation of the events and programs at the Frisco Superdome.